

## Office of Personnel Management

## § 870.907

and, for an employee who elected a partial Living Benefit, Basic insurance.

(i) A court order can direct that an insured individual make an irrevocable assignment to the person(s) named in the court order. For an assignment to be effective, the insured individual must follow the procedures in § 870.902.

[62 FR 48731, Sept. 17, 1997, as amended at 64 FR 16602, Apr. 6, 1999]

### § 870.902 Making an assignment.

(a) To assign insurance, an insured individual must complete an approved assignment form. Only the insured individual may make an assignment; no one may assign insurance on behalf of an insured individual.

(b) The assignment form must be in writing, signed by the insured individual, and witnessed and signed by 2 people. The completed assignment form, indicating the intent to irrevocably assign all ownership of the insurance, must be received by the appropriate office.

(1) For an employee, the appropriate office is the employing office.

(2) For an annuitant or compensationner, the appropriate office is OPM.

[75 FR 60585, Oct. 1, 2010]

### § 870.903 Effective date of assignment.

An assignment under this subpart is effective on the date the employing office receives the properly completed, signed, and witnessed assignment form.

### § 870.904 Amount of insurance.

The amount of insurance is the amount of the insured individual's Basic insurance, plus any Option A and Option B coverage.

### § 870.905 Withholdings.

Premium withholdings for assigned insurance are withheld from the salary, annuity, or compensation of the insured individual, as provided in subpart D of this part.

### § 870.906 Cancellation of insurance.

(a) The right to cancel (or reduce) insurance transfers to the assignee; the insured individual cannot cancel (or reduce) insurance after making an assignment.

(b) The assignee has the right to cancel insurance according to the provisions of §§ 870.502 and 870.505. When there is more than one assignee, all assignees must agree to the cancellation. A cancellation of Basic insurance also cancels all Optional insurance.

### § 870.907 Termination and conversion.

(a) Assigned insurance terminates under the conditions stated in subpart F of this part.

(b)(1) When an insured individual's insurance terminates, an assignee has the right to convert all or part of the group insurance to an individual policy on the insured individual. The conditions stated in subpart F of this part apply to assignees who elect to convert.

(2) When there is more than one assignee, each assignee has the right to convert all or part of his/her share of the insurance. Any assignee who doesn't convert loses all ownership of the insurance.

(3) When there is more than one assignee, the maximum amount of insurance each assignee will be able to convert is determined by the dollar amount corresponding to the assignee's share of the total insurance. This amount will be rounded up to the next higher thousand, if it's not already an even thousand dollar amount.

(4) Premiums for converted life insurance are based on the insured individual's age and class of risk at the time the conversion policy is issued.

(5) The employing office must notify each assignee of the conversion right at the time the assigned group insurance terminates.

(c) An assignment terminates 31 days after the insurance terminates, unless the insured individual is reemployed in or returns to a position in which he or she is entitled to coverage under this part within 31 days after the insurance terminates. If the individual returns to Federal service, Basic insurance and any Option A and/or Option B insurance acquired through returning to service is subject to the existing assignment.

[62 FR 48731, Sept. 17, 1997, as amended at 64 FR 72465, Dec. 28, 1999; 75 FR 60586, Oct. 1, 2010]